

Exploring the role of ethical issues in the context of digital transformation

Angelina Rosa^{a,*}

^a Faculty of Engineering Economics and Management, Riga Technical University, 6 Kalnciema Str., LV-1048, Latvia

Abstract

Purpose of the article The article aims to explore the role of ethics within the context of emerging digital technologies to provide additional insight into the phenomenon of digital transformation, and thus to contribute to a better understanding of the opportunities and challenges that companies encounter in a rapidly changing business environment. Specifically, the paper determines the role of ethical issues and key challenges which are discussed in the scientific literature in the context of digital transformation.

Methodology/methods A systematic approach to the analysis of scientific literature was adopted to achieve a deeper comprehension of the contribution of ethical values and ethical behaviour at individual and organizational levels towards sustainable performance, considering the impact of digital transformation. Scopus, Web of Science, and WILEY Online Library databases with a broad access to peer-reviewed articles related to the research topic were selected for investigation. The selected articles are assessed according to their relevance and grouped around the themes. The analysis of the scientific literature resulted in the identification of ethical issues which are discussed in the research on digital transformation in business.

Scientific aim To investigate the changes in the business ethics related to an increased impact of digital transformation on a company's performance.

Findings The following role of ethics and key challenges in the context of digitalization of business were identified. 1) Ethical decisions provide an opportunity for companies to use digital technologies in such a way as to avoid affecting sustainable organizational performance while focusing on the achievement of the short-term goals. 2) Decisions related to the company's performance, which is modified due to the digital transformation, are to be consistent with the values and principles of the employees and not contradict to their moral beliefs. 3) Ethical responsibility of a company for data ownership increases the likelihood that personal data will not be disclosed to third parties and will not be used in a wrong way. 4) The assessment of ethical behaviour in the course of the process of digital transformation remains one of the core ethical challenges that should be addressed.

Conclusions Ethical considerations provide deeper understanding of the impact of digital transformation at a higher level and in its long-term perspective to ensure a company's sustainable performance. The study has its limitations: the literature search was conducted in three databases, hence there is the risk that some potentially relevant articles could be omitted. The main contribution of this study is made by increasing the knowledge about the role of business ethics in the era of digitalization through accumulating findings from a range of studies. The article also raises the need for the further research in this field.

Keywords: Digital transformation, Business ethics, Ethical values, Ethical behavior, Business environment, Sustainable performance

JEL Classification: M15, M21

* Corresponding author. Tel.: +371 29103035
E-mail address: angelina.rosa@rtu.lv